



The “Corporate Entrepreneur”: An Evolution in Leadership?

-By Kristen Kenton, Kenton Talent Management

The changing economy has created a crucial need for innovation and change in human capital, particularly as it pertains to the “C-suite” of leaders. Imagine the prototype: A chief executive who brings the best of both worlds in an individual hire – one half classically-trained corporate leader and the other half “scrappy” entrepreneur. This is the essence of the Corporate Entrepreneur. A Fortune 50, C-level executive kick starting higher risk ventures by leveraging a unique set of skills and attributes. This unique toolset could forever break the mold of the classic, corporate leader.

Some say the notion of the Corporate Entrepreneur is a passing trend that will likely subside with an improved economy. The “dot bomb” reminds us that there is no replacement for “good ol’ fashion” business concepts. Others believe this new model is part of an evolution from which there’s no going back. It’s not just desired, but required of future business leaders due to emerging markets and changing economic conditions.

Kristen Kenton, President of Kenton Talent Management, a boutique talent management and executive recruiting firm, interviewed Michael Miller, an Adjunct Professor in the Global Energy Management program at the University of Colorado at Denver and an expert on the topic of Corporate Entrepreneurship. Miller was previously President & COO of a local, integrated renewable fuels company, one of five successful startups he has led over the course of his career. Miller also brings more than three decades of experience in Fortune-50 and FTSE-50 companies such as Ford, PepsiCo, Castrol and BP. Having come up through finance, business planning, and possessing a decade of experience in operating roles, Mike articulates the concept of the Corporate Entrepreneur.

Kristen: How do you define the role of a Corporate Entrepreneur?

Mike: Successful Corporate Entrepreneurs bring traits from both big company firms and high-growth startups. Moving beyond IQ and into EQ, or emotional intelligence, is key in considering the essence of the Corporate Entrepreneur. Traits like humility, authenticity, intuition, risk tolerance, superb communication skills are critical in this role. The classic entrepreneur is out there to build something, to beat the competition, so he or she has to have those instincts, that stick-to-it-ness. The Corporate Entrepreneur has to do this in a way that’s not all about his or her individual agenda. It has to be about the team and the broader business.

Kristen: Are there fundamental skills and competencies required to be a successful Corporate Entrepreneur?

Mike: The most successful Corporate Entrepreneurs are authentic leaders who are not afraid to expose their flaws as real people. A big ego is going to get in the way of building the culture and the camaraderie essential for success in an emerging company. A Corporate Entrepreneur also needs to know which processes enable growth and which ones just lead to bureaucracy or simply strangle progress. You have to use analytical, instinctive and emotional skills all at the same time. You need to adjust and adapt to situations and surroundings with comfort and ease.

Kristen: Does the Corporate Entrepreneur “look” different within emerging markets such as clean technology?

Mike: In emerging markets such as clean technology, there’s not much business history or any track record to rely on. So, the Corporate Entrepreneur has to have a passion for learning. They also need to leverage a wide and diverse set of experiences. It would be more difficult for a CEO who only knows one industry or one sector to make the transition, in my opinion. Within the clean technology industry, Corporate Entrepreneurs will have less relevant domain experience. They will have to bring it in from allied sectors, like I did from beverages, restaurants, fuels and lubricants. I suspect that emerging markets will demand more of the Corporate Entrepreneur’s skill set as they are typically less evolved industries with more complex structures. There’s a premium on leaders who know which tools to pull from and when to deploy them. These leaders will need to be superb communicators to really motivate the young teams entering the market.

Kristen: As a recruiter, I am being asked more often to find leaders with an “entrepreneurial spirit” instead of the classic, corporate style. Perhaps due to shifts in the economy, leaders are being forced to do more with less. They have smaller teams and are expected to be more creative and resourceful. Do you think market factors such as changes in legislation, economic conditions or even emerging technologies will impact the role of the Corporate Entrepreneur?

Mike: I think the concept is probably more universal than most folks realize, and it could well be a shift in the landscape in terms of how business gets done and what’s required. One of the keys is that there’s certainly a premium on innovation today and the successful Corporate Entrepreneur is one who can leverage innovative instincts and technology and deploy it for commercial success. This doesn’t have to be the sole territory of young, emerging startup companies. In fact, some big, established Fortune-100 companies have great cultures of innovation.

Kristen: While the concept of the Corporate Entrepreneur offers great value and skills that are in demand, are there obstacles in considering the integration of this role? For instance, I see big companies attempting to build emerging segments within their existing structure, such as renewable fuels within a traditional oil and gas company. These businesses require different leaders with almost opposing skill sets. Do you think this can cause conflict?

Mike: The history books are littered with companies that have tried to incubate different cultures unsuccessfully. In my time at BP, one of the reasons they bought Castrol was to change the

downstream culture to a more customer-focused, product-driven business. It was a tough chore and the jury's still out. It really does get back to culture, whether it's a small organization or a skunk-works division of a big entity: the culture has to be one that incentivizes innovation. It must promote prudent risk taking, and reward and promote for new business development as opposed to business retention. Maybe instead of having one career track, these companies should develop two tracks – the conventional track and a much more entrepreneurial track.

Kristen: Do you believe it is possible for a traditional corporate leader to become a Corporate Entrepreneur?

Mike: If you think about it, the Corporate Entrepreneur has to do all things for the organization. He or she has to be the strategist, a strong operator, a team builder, and often has to supplement or provide functional expertise as well, so it's not so neat and tidy. It's a very broad role, and not every CEO can make the transition. In fact, only a minority can. It's really part art and part science in terms of when you rely upon your corporate training versus when you invent it on the fly. I've been in five or six different industries and many different cultures so dealing with ambiguity and change was always necessary. It comes natural after a while. A commitment to continuously learning is something I believe's critical as a Corporate Entrepreneur. So while the concept of the Corporate Entrepreneur may seem revolutionary, it is certainly evolutionary. It's not an overnight transition. That's why one of the first traits I identified [for a Corporate Entrepreneur] was an avid, active, life-long commitment to learning. If you're not continually sensing and adjusting to the environment, you're not going to be successful. Our instincts are to go with what we know. However, the ability to remain open minded and adapt will make you more successful in most situations.

Kristen: What are the training and change management considerations for corporations adopting this function?

Mike: Technology continues to expand at an ever-increasing rate and universities are kicking off more intellectual property, so there will be more potential need and opportunities for Corporate Entrepreneurs. The purpose for the Global Energy Management (GEM) program at UCD stemmed from the industry's need to train future leaders in both traditional and renewable technologies. Many companies are funding this leadership training in order to invest in their employees as well as train their future leaders who will establish new technologies and services for them. Those attending the Global Energy Management program are predominately high-potential, middle managers in industry today. Three quarters of the students come with between five and 10 years of work experience. Many of them are partially- or fully-subsidized by their employers. I counsel my students to try and avoid getting stuck in a specialist role where they will grow up in a narrow functional silo. I hope they try to get a variety of functional and work experiences relatively early. Interestingly, I conducted a two-month survey for the Colorado CleanTech Industry Association at the end of last year, which was meant to help form the strategy for their bio-fuels sector. In surveying many of the bio-fuels companies in the state, it was apparent industry was in need of talent from all functional areas. However, the biggest talent gap was actually within senior leadership ranks. I believe this circles right back to a scarcity of Corporate Entrepreneurs and the demand for the role.

Kristen: Well that's fascinating and thanks for taking time to share this with our readers. Any closing thoughts?

Mike: Sure, I always enjoy passing along some of what I've learned and am now teaching in my course on Renewable Energy Management. I would close with a reminder. Always be mindful that your employer, or any future employer, values what you can do in the future. Past experiences and track records only help predict future accomplishments. To really have a rewarding career, focus on continually learning new skills and expanding your capabilities. If you do, one day you may just discover you've evolved into that successful Corporate Entrepreneur we've been discussing.